



  
**salih**

A SHARI'AH COMPLIANT PRODUCT

— **CPF** —

**SALIH INFORMATION PACK**

This information pack has been designed to address all queries on Salih as you make a decision on your retirement plan.

## WHAT IS SALIH?

There has always been demand for ethical investments within the financial space, particularly financial products and services that conform to Shariah (Islamic law). With the development of Islamic alternatives to conventional finance, Muslims are beginning to find Shariah compliant solutions to their financial needs.

CPF has since introduced Salih, a retirement benefits solution designed to factor ethical investments in line with the principles of Shariah.

## GOVERNANCE

Salih governance framework has incorporated a Shariah Advisory Council, which is constituted of independent Shariah Scholars who ensure products and transactions comply with shariah. The SAC works closely with all the service providers of Salih to ensure compliance.

## INVESTMENT AND SCREENING METHODOLOGY

The Salih Investment Strategy adopts a robust screening methodology that ensures the fund observes the tenets of Shariah.

1. Screening process is design to identify the elements that violate the rules and guidelines of Shariah law, which rooted from al-Quran, and the teaching of Prophet Muhammad. Shariah law prohibits elements such as usury (riba or interest), gambling (maysir) and uncertainty (gharar).

2. The Shariah screening criteria provide guidelines to screen companies conducting non-Shariah-compliant business activities. The criteria also exclude companies whose financials do not meet the minimum acceptable levels. There are two methods of screening 1) Business Activity screening and 2) financial ratio screening.

### Sector Screening



Intrest



Pornography



Pork



Gambling



Tobacco



Weapons



Alcohol



Forbidden  
leisure/media



## MEMBERSHIP

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Membership to Salih is open to institutions (public and private) as well as governments keen on contributing to a scheme that follows ethical investments. Membership will help you prudently save for retirement and thus complement your financial planning strategies.

The institution or government shall follow a simple onboarding process where prerequisite documentation are signed off by the respective board(s) as per RBA Regulations and Guidelines. The employees of the institution thereafter complete Salih membership forms and there after receive Salih membership cards confirming their registration.

The Salih membership forms provide for your biodata details as well as a section to nominate your next of kin and beneficiary. You can nominate persons dependent on you as guided by the Islamic Shariah law of inheritance.



## TRANSFERS

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If your contributions are domicile in another retirement scheme, and you have since exited employment from that employer, you can transfer the funds into Salih. This shall enable you continue to save for retirement following Shariah principles.



## CONTRIBUTION

The Contribution to the scheme begins with deductions made through the employer payroll and remittance made to the Salih Fund. Individual members at their discretion can make additional voluntary contributions to the fund. The higher the contribution, the larger your Salih retirement pot. Member statements are accessible through the website and upon request from time to time.



## PAYMENTS/CLAIMS

Access to the Salih Retirement Benefits is upon exit from the employer and begins with completion of a claim form with prerequisite clearance from the employer. The benefits will thereafter be processed into your account.

# BENEFITS OF SALIH



## LALA SALAMA BENEFIT (DEATH IN SERVICE)

Lump sum of insured death benefits, paid as 3 times annual pensionable salary in addition to member's Benefits at time of death.



## KUJIKWAA SIO KUANGUKA BENEFIT (PERMANENT DISABILITY)

Lump sum of insured Disability benefits paid as 3 times annual pensionable salary in addition to member's Benefits at time of injury.



## NO HARAMBEE BENEFIT (LAST RESPECT BENEFIT)

Ksh.000 ,100 paid within 48 hours of formal communication of the death by sponsor. The aim is to assist the family of a bereaved member in giving their beloved a respectable send off.



## DARAJA BENEFIT (UNEMPLOYMENT BENEFIT)

This is a unique benefit and one of its kind in Kenya. CPF members (excluding Civic Leaders) are assured of %50 of six-month salary paid to cushion the member against the effects of sudden loss of income; provided that, the loss is not occasioned by indiscipline on the part of the member



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